S-3141

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Amend Senate File 471 as follows:

- 2 l. By striking everything after the enacting clause 3 and inserting:
- 4 <Section 1. <u>NEW SECTION</u>. **17A.4B Negotiated** 5 rulemaking.
- 1. An agency shall create a negotiated rulemaking 7 group if required by statute. An agency may, on 8 its own motion or upon request, create a negotiated 9 rulemaking group if the agency determines that a 10 negotiated rulemaking group can adequately represent 11 the interests that will be significantly affected 12 by a draft rule proposal and that it is feasible and 13 appropriate in the particular rulemaking. Notice of 14 the creation of a negotiated rulemaking group shall 15 be published in the Iowa administrative bulletin. 16 Upon establishing a negotiated rulemaking group, 17 the agency shall also specify a time frame for group 18 deliberations.
- 2. Unless otherwise provided by statute, the agency shall appoint a sufficient number of members to the group so that a fair cross section of opinions and interests regarding the draft rule proposal is represented. One person shall be appointed to represent the agency. The group shall select its own chairperson and adopt its rules of procedure. All meetings of the group shall be open to the public. A majority of the membership constitutes a quorum. Members shall not receive any per diem payment but shall be reimbursed for all necessary expenses. Any vacancy shall be filled in the same manner as the initial appointment.
- 32 3. Prior to the publication of a notice of intended 33 action, the group shall consider the terms or substance 34 of the rule drafted by the agency and shall attempt to 35 reach a consensus concerning the draft rule proposal.
- 36 If a group reaches a consensus on a draft rule 37 proposal, the group shall transmit to the agency a 38 report containing the consensus on the draft rule 39 proposal. If the group does not reach a consensus on a 40 draft rule proposal within the specified time frame, 41 the group shall transmit to the agency a report stating 42 that inability to reach a consensus and specifying any 43 areas in which the group reached a consensus. The 44 group may include in a report any other information, 45 recommendations, or materials that the group considers 46 appropriate. Any group member may include as an 47 addendum to the report additional information, 48 recommendations, or materials. A report issued under 49 this subsection shall not be considered final agency 50 action for purposes of judicial review.

- Unless otherwise provided by statute, following 2 a negotiated rulemaking group consideration of a draft 3 rule proposal, the agency may commence rulemaking as 4 provided in section 17A.4. The group is automatically 5 abolished upon the agency's adoption of the rule 6 pursuant to the provisions of section 17A.5.
- Sec. 2. Section 17A.7, subsection 2, Code 2011, is 8 amended by striking the subsection and inserting in 9 lieu thereof the following:
- 10 2. Over a five-year period of time, an agency 11 shall conduct an ongoing and comprehensive review of 12 all of the agency's rules. The goal of the review 13 is the identification and elimination of all rules of 14 the agency that are outdated, redundant, overbroad, 15 ineffective, unnecessary, or otherwise undesirable. 16 An agency shall commence its review by developing a 17 plan of review in consultation with major stakeholders 18 and constituent groups. As part of its review, an 19 agency shall review existing policy and interpretive 20 statements or similar documents to determine whether 21 it would be necessary or appropriate to adopt these 22 statements or documents as rules.
- An agency shall establish its five-year plan for 24 review of its rules and publish the plan in the Iowa 25 administrative bulletin.
- b. An agency's plan for review shall do all of the 27 following:
- (1) Contain a schedule that lists when the review 29 of each rule or rule group will occur.
- (2) State the method by which the agency will 31 determine whether the rule under review meets the 32 criteria listed in this section.
- (3) Provide a means for public participation in the 34 review process and specify how interested persons may 35 participate in the review.
- (4) Identify instances where the agency may require 37 an exception to the review requirements.
- 38 (5) Provide a process for ongoing review of rules 39 after the initial five-year review period has expired.
- c. An agency shall consider all of the following 41 criteria when reviewing its rules:
  - (1) The need for the rule.

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- The clarity of the rule. (2)
- (3) The intent and legal authority for the rule.
- (4) The qualitative and quantitative benefits and 45 46 costs of the rule.
  - The fairness of the rule.
- 48 When an agency completes its five-year review of 49 its rules, the agency shall provide a summary of the 50 results to the administrative rules coordinator and the

1 administrative rules review committee.

Sec. 3. RED TAPE INTERIM STUDY COMMISSION.

1. The legislative council is requested
4 to establish an interim study commission to
5 comprehensively review all rules and regulations
6 in order to assess the effects of such rules and
7 regulations on Iowa's economy and to determine
8 whether the resulting burdens on small businesses and
9 workers outweigh the intended benefits. The study

10 commission shall also review the application processes 11 for permits, grants, and tax credits to ensure the

12 processes are streamlined.

2. The study commission should submit a report to 14 the general assembly by December 15, 2011.>

2. Title page, by striking line 1 and inserting <An l6 Act relating to the review of administrative rules and

17 application processes.>

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